February 23, 2017

Connecticut General Assembly, Appropriations Committee Legislative Office Building, Room 2700 Hartford, CT 06106

Testimony of the American Lung Association in Connecticut in Support of Funding for Tobacco Control Programs in Connecticut for FY2018, FY2019 Budget and the Years Ahead

Dear Distinguished Chairpersons and Members of the Appropriations Committee:

My name is Ruth Canovi. I am the Director of Public Policy for the American Lung Association in Connecticut. The American Lung Association is a not-for-profit public health association working to save lives by improving lung health and preventing lung disease. I am here today to express the American Lung Association's strong support of the Tobacco and Health Trust Fund and urge the committee to provide funding for CT tobacco prevention and cessation programs in this and all future budgets until tobacco use is a public health problem of the past.

We understand and are sympathetic to the challenging budgetary decisions you must make regarding where to invest the state's money, which services to provide and which to cut. As you make these incredibly challenging decisions, we ask that you keep in mind that tobacco remains the leading cause of preventable death and disease in Connecticut. We can and must do more to help those addicted to tobacco products to quit and to keep youth from going down that path. We were pleased to see that the transfer to the Tobacco and Health Trust Fund was included in the Governor's Budget this year. We urge you to protect this transfer and ensure that these funds remain for the Tobacco and Health Trust Fund Board to spend on tobacco prevention and cessation services.

In Fiscal Year 2017, Connecticut will spend \$0 of state funds on our state tobacco control program; we were only one of two states to spend no state dollars on tobacco control. For many years, this committee has heard from the tobacco control community requesting that more of the money that comes in from the tobacco related revenue (which generally totals approximately \$500M annually) be spent on tobacco cessation and prevention programming; sadly it has been a struggle to

get even a tiny portion of the funds from the Master Settlement Agreement or tobacco tax revenue to be dedicated for tobacco control programs. For Fiscal Year 2018, the Governor proposed to transfer \$6M to the Tobacco and Health Trust Fund, allowing the Board to spend \$3M on tobacco control programming. The transfer was removed in the FY2016/2017 Budget, so the Governor's proposal is a step in the right direction, but 50% less than the investment was in FY2015. The Centers for Disease Control and Prevention (CDC) recommends that Connecticut spend \$32M annually on tobacco control programming. Since the Tobacco and Health Trust Fund's inception, the fund has not yet spent cumulatively (\$29.5M), what the CDC recommends we spend annually. While we would like to see the Tobacco and Health Trust Fund investment return to at least the 2015 level of \$12M and allow the Tobacco and Health Trust Fund Board to spend it all on tobacco related programming, what is especially important is a sustained commitment to funding this program until it is no longer needed. The fact remains that each year tobacco costs Connecticut more than \$2B in health care related costs and 4,900 lives.

The Tobacco and Health Trust Fund issued an important report in early 2017. If you cannot read the entire thing, Section 2 is extremely telling of the current landscape of CT Tobacco Use. While we have made great progress in cigarette use when we look at the average population, some pockets of our population are still using tobacco at incredibly high rates and these populations are already having disproportionately poor health outcomes. Here are a few highlights (Please note that Section 2 of this report is attached to my testimony).

- In 2015, while only 13.5% of adults in CT smoked cigarettes, 19.9% of adults in CT used some form of tobacco;
- 29.3% of 25 34 year olds used tobacco in 2015;
- 45.% of NH-American Indian/ Alaskan Native's used tobacco products in 2015;
- 29.3% of people who had a household income of less than \$25,000 used tobacco. 31.6% of people who have less than a high school diploma (no diploma), compared to 11.1% of college graduates) used tobacco in 2015.
- "Connecticut saves \$2.48 for every \$1 invested in its current tobacco control programs."

Connecticut cannot continue to be ranked last in the country in funding programs to help people addicted to tobacco products quit and prevent youth from starting to use products we KNOW are the leading cause of preventable death and disease. This is especially troublesome because we have the second highest cigarette tax in the country at \$3.90/pack and the Governor's Budget includes an increase to bring us tied for the highest national rate at \$4.35/pack. We should not be balancing the budget on the backs of smokers. We know that at any given time, 70% of smokers want to quit; we should ensure that services are available to help them do so. The landscape of the tobacco industry is changing – offering more and more products that are flavored and cheaper than the traditional cigarette, Connecticut needs to keep up with the times to ensure that a new generation does not

succumb to the same health and quality of life outcomes we have.

Thank you for your time and consideration. We wish you the best in this challenging fiscal climate and hope we can work together to improve our state's public and economic health in the coming years by making smart investments to combat the effects of these dangerous and costly products.

Sincerely,

Ruth Canovi, MPH Director, Public Policy

American Lung Association, CT

# Annual Report of the Tobacco and Health Trust Fund Board of Trustees

To the Appropriations and Public Health Committees and the Connecticut General Assembly

### I. Introduction

The Tobacco and Health Trust Fund was established in 1999 as a separate, non-lapsing fund that accepts transfers from the Tobacco Settlement Fund and may apply for and accept gifts, grants or donations from public or private sources to carry out its objectives. The purpose of the trust fund is "to create a continuing significant source of funds to (1) support and encourage development of programs to reduce tobacco abuse through prevention, education and cessation programs, (2) support and encourage development of programs to reduce substance abuse, and (3) develop and implement programs to meet the unmet physical and mental health needs in the state."<sup>1</sup>

A Board of Trustees was established in 2000 to recommend authorization of disbursement from the trust fund. The Board consists of seventeen trustees including four appointed by the Governor, twelve appointed by legislative leaders and one exofficio representative of the Office of Policy and Management.<sup>2</sup>

In accordance with Public Act 15-244 (Section 90), there will be no disbursements to the Tobacco and Health Trust Fund from the Tobacco Settlement Fund in fiscal years (FY) 2016 and 2017. Under current law, \$6 million will be deposited into the Tobacco and Health Trust Fund from the Tobacco Settlement Fund in FY 2018 and in subsequent years. The Board may recommend authorization of disbursement of up to the total unobligated balance remaining in the trust fund as required by law.

This report fulfills two of the Board's statutory responsibilities to:

- 1. Submit an annual report to the Appropriations and Public Health Committees on the Board's activities and accomplishments; and
- 2. Submit an annual report to the General Assembly that includes all disbursements and other expenditures from the trust fund and an evaluation of the performance and impact of each program receiving funds from the trust fund.

### II. Data on Tobacco Use in Connecticut

Cigarette smoking causes about one of every five deaths in the United States each year.<sup>3</sup> The damage caused by tobacco use such as premature death, illness, and disability begins early in life, with 90 percent of adult smokers having their first cigarette before

<sup>1</sup> See Appendix A for statutory authority

<sup>&</sup>lt;sup>2</sup> See Appendix B for a list of board members

<sup>&</sup>lt;sup>3</sup>CDC-Tobacco-Related Mortality https://www.cdc.gov/tobacco/data\_statistics/fact\_sheets/health\_effects/tobacco\_related\_mortality/

the age of 18<sup>4</sup>. According to the Center for Disease Control (CDC) tobacco related diseases kill more people each year in the U.S. than alcohol, AIDS, car crashes, illegal drugs, accidents, murders and suicides *combined*.<sup>5</sup>

### Adult Tobacco Use in Connecticut in 2015:6

- 13.5% of all adults (18+ years old) smoked cigarettes; this represents a significant decrease compared to 15.4% in 2014.
- 19.9% of all adults used some form of tobacco in the past 30 days, this represents a slight increase compared to 18.3% in 2014.
- Cigarettes (13.5%), e-cigarettes (5.0%) and cigars (4.7%) were the most prevalent forms of tobacco used by adults.
- 26% of males and 14% of females used some form of tobacco, such as cigarettes, cigars, chewing tobacco, snuff, dip, hookahs, and e-cigarettes.

### Youth Tobacco Use in Connecticut in 2015:7

- In 2013, 1.4% of middle school students and 8.9% of high schools students smoked cigarettes in the past 30 days. In 2015, the rate was down to 0.8% among middle school students and 5.6% among high school students.
- In 2013, 3.1% of middle school students and 19.5% of high schools students used some form of tobacco in the past 30 days. In 2015, the rate was down to 3.0% among middle school students and 14.3% among high school students.
- E-cigarettes are the most prevalent form of tobacco product used among middle and high school students at 1.4% and 7.2% respectively.
- The rate of tobacco use is significantly higher in grade 12 (20.7%) than in Grade 9 (9.4%).
- 2,100 children (under 18) become new daily smokers each year.

These statistics do represent a substantial reduction over the past 10 years in tobacco use due to numerous factors including passage of smoke free legislation, ban and enforcement on sales of cigarettes to minors, increases in the cost of tobacco products, and prevention and cessation programs.

<sup>4</sup> U.S. Department of Health and Human Services-The Office of Adolescent Health – Trends in Adolescent Tobacco Use. https://www.hhs.gov/ash/oah/adolescent-health-topics/substance-abuse/tobacco/trends.html

<sup>&</sup>lt;sup>5</sup> CDC- Cigarette Smoking and Radiation <a href="https://www.cdc.gov/nceh/radiation/smoking.htm">https://www.cdc.gov/nceh/radiation/smoking.htm</a>

<sup>&</sup>lt;sup>6</sup> **Tobacco Use in Connecticut** - **Adult smoking.** 2015 and 2014 Connecticut Behavioral Risk Factor Surveillance System. **Adult smoking.** State: CDC, BRFSS 2015 online data: <a href="http://nccd.cdc.qov/STATESystem/rdPage.aspx?rdReport=OSH\_State.CustomReports">http://nccd.cdc.qov/STATESystem/rdPage.aspx?rdReport=OSH\_State.CustomReports</a>. Because of changes in methodology, state-specific adult smoking rates cannot be compared to data prior to 2011. National: CDC, "Early Release of Selected Estimates Based on Data From the National Health Interview Survey, 2015," May 24, 2016, <a href="http://www.cdc.gov/nchs/data/nhis/earlyrelease/201605\_08.pdf">http://www.cdc.gov/nchs/data/nhis/earlyrelease/201605\_08.pdf</a>.

<sup>&</sup>lt;sup>7</sup> Youth smoking -CT Youth Tobacco Survey 2013 and 2015. New youth smokers. Estimate based on U.S. Dept. of Health & Human Services (HHS), "Results from the 2015 National Survey on Drug Use and Health: Summary of National Findings and Detailed Tables,"

http://www.samhsa.gov/data/sites/default/files/NSDUH-DetTabs-2015/NSDU

### Disparities in Connecticut Tobacco Use in 2015:8

- 29.3% of adults in households making less than \$25,000 used tobacco.
- 20.0% of adults in households making \$25,000-\$34,999 used tobacco.
- 20.2% of adults in households making \$35,000-\$49,000 used tobacco.
- 19.5% of adults in households making \$50,000-\$74,000 used tobacco.
- 15.9% of adults in households making \$75,000 or more used tobacco.

## Disparities in Connecticut Tobacco Use by Education in 20159

- 31.6% of adults without a high school diploma used tobacco.
- 23.6% of adults with a high school or GED diploma used tobacco.
- 11.1% of adults with a college degree used tobacco.

# Disparities in Connecticut Tobacco Use by Age in 2015<sup>10</sup>

- 30.5% of adults 18-24 years old used tobacco.
- 29.3% of adults 25-34 years old used tobacco.
- 18.5% of adults 35-44 years old used tobacco.
- 19.9% of adults 45-54 years old used tobacco.
- 17.4% of adults 55-64 years old used tobacco.
- 9.7% of adults aged 65 years and older used tobacco.

# Health Impact of Tobacco Use in Connecticut in 2016<sup>11</sup>

An estimated 4,900 annual deaths in Connecticut can be directly attributed to tobacco use, while another 450 deaths are linked to second hand smoke exposure. Smoking can damage every part of the body. Cancers including oral, pharynx, larynx, esophagus, lung, stomach, kidney, pancreas, colon, bladder, and cervix, and chronic diseases such as stroke, heart disease, hardening of the arteries, lung disease, asthma, and diabetes are all risks from smoking.

- 27% = Proportion of cancer deaths attributable to smoking.
- 2,770 = Estimated new cases of lung cancer.
- 1,690 = Estimated number of lung cancer deaths.
- 56,000 = Children alive today that will ultimately die prematurely from tobacco use under current trends.

<sup>8 2015</sup> Connecticut Behavioral Risk Factor Surveillance System-Department of Public Health Prevalence of Tobacco Use Among Connecticut Adults 2015-Prevalence of Tobacco Use Among Connecticut Adults (18+ years old), 2015. Cancer Action Network- https://www.cga.ct.gov/2016/appdata/tmy/2016HB-05044-R000218-DPH,%20DMHAS%20-%20Cancer%20Action%20Network%20-%20Tobacco%20Fact%20Sheet-TMY.PDF

<sup>11</sup> Health Impact of Tobacco Use in Connecticut American Cancer Society. Cancer Facts & Figures 2016. Atlanta: American Cancer Society; 2016. http://www.cancer.org/acs/groups/content/@research/documents/document/acspc-047079.pdf, Campaign for Tobacco Free Kids http://www.tobaccofreekids.org/facts\_issues/toll\_us/connecticut

# Fiscal Impact of Tobacco Use in Connecticut in 2016<sup>12</sup>

- \$2.03 billion = Annual tobacco related health care costs.
- \$1.25 billion = Smoking caused productivity losses.
- \$3,391 = Economic cost of smoking per smoker per year.
- \$869 = Per household for residents' state and federal tax burden from smoking-caused government expenditures.

### Economic Cost to Consumers in Connecticut in 2016<sup>13</sup>

- \$3.90 = State tax on each pack of cigarettes (2nd highest in the nation).
- \$9.43 = Average retail cost of a pack of cigarettes.
- \$3,350 = Average spent on cigarettes by a smoker each year (One pack a day).

### Tobacco Revenue in Connecticut in 2016<sup>14</sup>

- \$12.3 million = Other Tobacco Product (OTP) tax revenue.
- \$373.5 million = Cigarette Tax Revenue.
- \$120.4 million = Master Settlement Agreement.
- \$75.9 million = Tobacco companies cost on marketing each year (\$9.5 Billion nationally).

# Tobacco Control CDC Recommendations vs. Actual Expenditures in Connecticut<sup>15</sup>

- \$29.7 million = Total Tobacco and Health Trust Fund investments since 2003.
- \$32 million = CDC recommendation for tobacco prevention and cessation spending annually.
- \$1.2 million = Trust funds for 2016 tobacco and health trust programming.
- \$3.4 million = Total amount expended annually for Medicaid Tobacco Use Cessation.

# Comprehensive Tobacco Control Programs

The 2014 Surgeon General's report found, "States that have made larger investments in comprehensive tobacco control programs have seen larger declines in cigarettes sales than the nation as a whole, and the prevalence of smoking among adults and youth has declined faster, as spending for tobacco control programs has increased." The report concluded that long-term investment is critical: "Experience also shows that the longer the states invest in comprehensive tobacco control programs, the greater and faster the impact."

<sup>&</sup>lt;sup>12</sup> Fiscal Impact of Tobacco Use In Connecticut (NOTE: <u>To make all of the cost data more comparable</u>, some figures have been adjusted for inflation and <u>updated to 2009 dollars</u>, using the same methodology that CDC has used in the past). *Health and productivity costs caused by tobacco use*. CDC, Best Practices for Comprehensive Tobacco Control Programs 2014, <a href="http://www.cdc.gov/tobacco/stateandcommunity/best\_practices/index.htm">http://www.cdc.gov/tobacco/stateandcommunity/best\_practices/index.htm</a>; CDC, Smoking Attributable Mortality, Morbidity and Economic Costs, SAMMEC, ; CDC, State Data Highlights 2006 [and underlying CDC data/estimates].

<sup>13</sup> Economic Cost to Consumers <a href="https://www.tobaccofreekids.org/research/factsheets/pdf/0097.pdf">https://www.tobaccofreekids.org/research/factsheets/pdf/0097.pdf</a>. Cancer Action Network-The Cost of Tobacco use in Connecticut 2016- Cancer Action Network- <a href="https://www.cqa.ct.gov/2016/appdata/tmy/2016HB-05044-R000218-DPH,%20DMHAS%20-%20Cancer%20Action%20Network%20-%20Tobacco%20Fact%20Sheet-TMY.PDF">https://www.tobaccofreekids.org/research/factsheets/pdf/0097.pdf</a>. Cancer Action Network-The Cost of Tobacco use in Connecticut 2016- Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobacco use in Connecticut 2016-Cancer Action Network-The Cost of Tobac

<sup>&</sup>lt;sup>14</sup> **Tobacco Revenue in Connecticut** - Office of Policy and Management -Budget and Financial Management Division. Tobacco marketing influence on youth. Campaign for Tobacco Free-Kids <a href="http://www.tobaccofreekids.org/facts">http://www.tobaccofreekids.org/facts</a> issues/toll us/connecticut.

<sup>&</sup>lt;sup>15</sup> Cancer Action Network- <a href="https://www.cga.ct.gov/2016/appdata/tmy/2016HB-05044-R000218-DPH">https://www.cga.ct.gov/2016/appdata/tmy/2016HB-05044-R000218-DPH</a>,%20DMHAS%20-%20Cancer%20Action%20Network%20-%20Tobacco%20Fact%20Sheet-TMY.PDF

### Connecticut Benefits of Funding Tobacco Control Programs

According to the University of North Carolina at Chapel Hill, (Tobacco Prevention and Evaluation Program for the CT Department of Public Health, 2015) research shows that "Connecticut saves \$2.48 for every \$1 invested in its current tobacco control programs. By helping people quit tobacco, these programs save more than \$5.7 million in averted tobacco-caused healthcare and lost productivity costs. Comprehensive tobacco control programs funded at the level recommended by the Centers for Disease Control and Prevention would help reach at least 25,000 additional CT tobacco users each year, generating over \$20 million in savings from averted healthcare and lost productivity costs as more tobacco users quit. Fully funded tobacco control programming would also keep more than 25,000 youth from becoming tobacco users over a 10-year period, saving more than \$3.4 billion in averted tobacco-related healthcare costs."

# III. Recent Activities and Accomplishments

# **Update on 2016 Disbursements**

Although the statutory purpose of the Tobacco and Health Trust Fund is broad and includes the authority to fund programs to address substance abuse, and unmet physical and mental health needs in the state, the Board has historically focused exclusively on funding anti-tobacco use<sup>16</sup> efforts. The board's rationale for this single-minded emphasis recognizes that there are significant state and federal expenditures in Connecticut for substance abuse, physical, and mental health, while the funding for anti-tobacco efforts is limited.

In February 2016, the Trust Fund Board recommended, and the legislative committees of cognizance approved, disbursements totaling \$1,188,335 to be used for anti-tobacco related initiatives in the areas of state and community interventions (\$475,334), mass-reach health communications (\$130,717), cessation interventions (\$404,034), evaluation (\$118,834), and administration (\$59,416). This apportionment of funding is consistent with the U.S. Centers for Disease Control (CDC) recommended program interventions and funding levels for 2016. Aligning disbursement with CDC recommendations ensured that the proposed interventions were supported by scientific evidence showing positive outcomes in the prevention and reduction of tobacco use.

Unallocated 2015 funds in the areas of state and community interventions, cessation interventions, and evaluation funding categories in the amount of \$412,897 were made available for 2016 programming in those categories. The total amount in unobligated funds available to the Board for disbursement in FY 16 was \$1,188,335 with the additional \$412,897 for a total of \$1,601,232. The chart below shows how the available

<sup>&</sup>lt;sup>16</sup> For the purposes of this report, "anti-tobacco efforts" refer to efforts to prevent the initiation of utilizing or promote the cessation of both traditional tobacco products such as cigarettes, and other products that may or may not contain nicotine derived from tobacco, such as electronic nicotine delivery systems or vapor products. Definitions of these terms may be found in §53-344b of the Connecticut General Statutes.